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STATE OF WISCONSIN
BEFORE THE ARBITRATOR

In the Matter of the Petition of
ROCK COUNTY COURTHOUSE LOCAL 1077,
AFSCME, AFL-CIO
To Initiate Mediation-Arbitration
Between Said Petitioner and
ROCK COUNTY

Case LXXXII
No. 23853
MED/ARB-275
Decision No. 16969-A

Appearances:

Mr. Darold O. Lowe, District Representative, Wisconsin Council of County and Municipal Employees, AFSCME, AFL-CIO, appearing on behalf of the Union.
Mr. Bruce K. Patterson, Employee Relations Consultant, appearing on behalf of the Employer.

ARBITRATION AWARD:

On April 23, 1979, the Wisconsin Employment Relations Commission appointed the undersigned as mediator-arbitrator pursuant to Section 111.70 (4)(cm) 6.b. of the Municipal Employment Relations Act, in the matter of a dispute existing between Rock County Courthouse Local 1077, AFSCME, AFL-CIO, referred to herein as the Union, and Rock County, referred to herein as the Employer. Pursuant to the statutory responsibilities the undersigned on June 13, 1979, conducted a mediation meeting between the Union and the Employer which failed to resolve the matters in dispute between the parties, and the parties on June 13, 1979, having waived the statutory provisions of Section 111.70 (4)(cm) which require written notice from the mediator-arbitrator of his intent to arbitrate, and which require that the mediator-arbitrator provide a time within which the parties may withdraw their final offers, presented evidence in arbitration proceedings. The parties were present at the arbitration proceedings and were given full opportunity to present oral and written evidence and to make relevant argument. The proceedings were not transcribed, however, briefs were filed in the matter which were received by the Arbitrator on July 9, 1979.

THE ISSUES:

The final offers which were certified to impasse by the Wisconsin Employment Relations Commission are set forth as follows:

UNION FINAL OFFER:

1. Wage rates be increased \$.50 per hour effective January 1, 1979.
2. Add to 13.01 Major Medical coverage to \$250,000.

EMPLOYER FINAL OFFER:

1. Wages Effective Retroactively to all classifications represented by the Bargaining Unit:
 - a. 1979 1-1-79 \$.38 per hour across the Board
6-24-79 \$.12 per hour across the Board
 - b. 1980 12-30-79 \$.35 per hour across the Board
6-29-80 \$.15 per hour across the Board

2. Health Insurance Effective 1-1-79

Provide full maternity coverage for employees and dependents represented by the bargaining unit.

DISCUSSION:

While the final offers of the parties reflect a dispute over health insurance coverage, the Union proposing an increase of Major Medical from \$25,000 maximum to \$250,000 maximum, and the Employer proposing full maternity coverage for employees and dependents represented by the bargaining unit, a review of the record satisfies the undersigned that the health insurance issue will not be the controlling matter in the instant dispute. The undersigned is satisfied that the primary dispute exists with respect to the amount of wage increase to be paid, and the length of the Agreement.¹ In evaluating the final offers of the parties, the undersigned will base his evaluation on the criteria as set forth in Wisconsin Statutes 111.70 (4)(cm) 7, which read:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally in public employment in comparable communities and in private employment in comparable communities.
- e. The average consumer prices for goods and services, commonly known as the cost-of-living.
- f. The overall compensation presently received by the municipal employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

In its brief the Union argues that its wage offer should be adopted, primarily for two reasons:

1. The Employer settlements with AFSCME Locals 1258 and 2489 exceed the percentage of settlement offered by the Employer in the instant dispute.
2. The cost of living increase for 1979 and the anticipated cost of living increase for 1980 favor the Union position.

The Union's argument is unpersuasive to the undersigned with respect to the dispute over wages for the year 1979. Actually, the amount of increase proposed by the Union (50¢ per hour) totals exactly the amount of increase offered by the Employer. The sole difference between the parties' position for the year 1979 is that the Union proposes that the 50¢ per hour increase be implemented in full as of January 1, 1979. The Employer offer totals 50¢ per hour, with

1) While neither final offer specifically identifies that the term of the Agreement is disputed, the undersigned is satisfied that the Employer offer contemplates a two year Agreement, whereas the Union offer contemplates a one year Agreement.

38¢ per hour becoming effective January 1, 1979, and 12¢ per hour becoming effective June 24, 1979. The Union calculates, and it is undisputed, that its offer has a cost impact of 9.2%. Furthermore, it is undisputed that the cost impact of the Employer offer is 8.1% for the year 1979. The undersigned accepts the foregoing calculations, however, cost impact to the Employer for the year 1979 is different from the amount of wage rate increase which will be placed in effect in the year 1979. Specifically, it is axiomatic that the wage rate will be increased 9.2% under both the Employer and the Union final offers. It is true that the earnings generated by the Employer's offer will result in a .9% less earnings' increase to the employees for 1979. Given the comparatively small differential in earnings' increase; and given the identical wage rate which the Union seeks; the undersigned concludes that the Employer offer is reasonable for the year 1979.

The Union has argued that Local 1258 received a 10.2% increase and Local 2489 received a 9.95% increase for the year 1979 from this same Employer. While the percentage rate of settlement achieved by Locals 1258 and 2489 exceed both the final offer of the Union and the Employer, the undersigned concludes that the percentage of settlement is not the significant consideration that should be addressed in making the comparisons herein. More significant in the mind of the undersigned is the fact that the 50¢ per hour increase contained in both parties' final offer in the instant dispute exceeds the amount of increase realized by Locals 1258 and 2489 by 4.5¢ per hour. (Employer Exhibit #2) From the foregoing, the undersigned again concludes the Employer offer is reasonable in this dispute. Furthermore, in examining Union Exhibits #3 and 4, the undersigned notes that the percentage of settlements in surrounding counties range from a low of 5.2% in Green County, to a high of 8.8% in Columbia County, and further notes that the mean percentage of settlement of the nine counties therein is 7.54%. Thus, it can be seen that the percentage of settlement offered by the Employer is well in excess of the mean for those nine counties.

The undersigned has considered the cost of living criteria with respect to the dispute over wages for the year 1979. Having earlier concluded that the effect of the Employer offer is to increase the wage rate by the 9.2% which the Union offer contains; the undersigned is satisfied that since the wage rate will reach the identical levels under either offer for the year 1979, the cost of living criteria does not compel a finding for either one offer or the other. The impact of the anticipated rise of cost of living for the year 1979 does not fall upon the employees of this Employer immediately at the commencement of the year 1979, but rather increases gradually throughout the course of the year. Since the Employer offer places the majority of the 50¢ per hour increase at the beginning of the year, followed by 12¢ per hour at approximately mid-year, the undersigned concludes that the mid-year increase will be implemented under the Employer offer in ample time to offset potential cost of living increases as they occur throughout the year 1979.

From the foregoing the undersigned concludes that for the year 1979 the Employer offer should be adopted. It remains, however, to consider whether the Agreement should run for two years, and whether the Employer offer of a total of 50¢ per hour for the year 1980 should be adopted. The undersigned has evaluated the offers against the statutory criteria and concludes that the Employer offer for the year 1980 is reasonable. Additionally, given the fact that this decision will be implemented at a time when there is only four months left in the year 1979, the two year term of Agreement is preferred. Given the timing of the resolution of the dispute for 1979, to adopt a two year term is really providing only a one year Agreement prospectively, since most of the benefits provided for the year 1979 will be retroactive in application. Having concluded that the Employer offer is reasonable for the year 1980, it follows from the above that the two year term of Agreement should be adopted.

After considering all of the evidence, the final offers of the parties in their entirety, the arguments of counsel, and after applying the statutory criteria, the undersigned makes the following:

AWARD

The final offer of the Employer is to be incorporated into the Collective Bargaining Agreement, along with the stipulations of the parties which reflect prior agreements in bargaining for the term of the Agreement which becomes effective January 1, 1979, and remains in full force and effect until December 31, 1980.

Dated at Fond du Lac, Wisconsin, this 13th day of August, 1979.



JOS. B. KERKMAN,
Mediator-Arbitrator

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